

International promotion strategies: the push pull mix



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This paper analyzes the different types of promotional strategies employed namely the push strategy and the pull strategy. For the pull strategy the case of Benetton is used in which the advertising campaign by the art photographer Oliviero Toscani is studied. He basically used his photography to project social issues that are prevalent around the world for Benetton's advertising campaign. Although successful in creating awareness and generating sales, the images however were not always pleasant to look at and therefore created some kind of hostility with certain retailers and government bodies. It seemed that Benetton wanted to change the way people think about certain issues that plague society, Oliviero brought out them in the open and introduced a new type of advertising. It could have helped however in maintaining relationships with retailers that distanced themselves from these campaigns if Oliviero selectively advertised in places that have more liberal views and distanced its campaign from areas that have a more conservative mindset. The push strategy is used by Coca-cola very well and therefore is part of this study. Coca-cola strategically employs trade sales promotion and personal selling in order to induce retailers to store its product. Facing tough competition from Pepsi around the world's Coca-cola leaves no stone unturned when it comes to promoting its products. However providing discounts to retailers by Coca-cola seems to be an unhealthy competitive strategy it seems to be employed in sometimes subtle but in other cases rather openly. It seems to be the conclusion that in order to gain a greater market share in face of tough competition the employment of the push strategy along with advertising is a major success factor for the company.

Pull strategy is used when the producer of the product wants to communicate or influence the consumer directly. This creates a greater visible impact of the brand on the consumer's mindset. Benetton employed this strategy in a very unique manner. It employed the art photographer Oliviero Toscani who changed the way the brand was perceived by consumers. The images that were used in the advertising campaign by Oliviero seemed to get an instant reaction from the audience. This is because it used Social issues as the back drop of its campaign. Almost all its ads portrayed images that were rather shocking and made the consumer think. This was a way in which it was building a relationship with its consumers.

The images highlighted issues such as AIDS, racism, political conflict and the like. Therefore not only did it help in creating a long lasting image in the consumer's mind but it also generated a lot of publicity both negative and positive. One would think that this negative publicity was destroying the brand value and would decrease sales however that were not the case. In fact sales were increasing for Benetton.

The theme of issues that plagued society around the world not only gave it a chance to expose itself to a larger audience of different cultures, it also allowed the company to project the same image and work with the same advertising campaign around the world. This significantly reduced the advertising expense of the company and gave the advantage of generating sales. (Barela, 2003) There was an element of intrigue and shock in its advertisements that attracted consumers towards the brand. These images

were the hook that created interest among the consumers and led them to purchase the brands products.

The path that Benetton has chosen to make its mark in the already saturated clothing industry is one of differentiation. It adopted a stance that induced consumers to think and ponder over the message that is being sent. It is not only an advertisement trying to sell clothes but it's a message that is creating a change in society. Quite a few of Benetton's ads have sparked controversies an example would include a picture showing a nun kissing a priest which caused a lot of commotion in Europe. (Abbott, 2009)

Benetton in order to segment its market uses the psychographic approach. It appeals to people on the basis of their lifestyle, the way they think, their political views . This gives it a an avenue that has not been used in the past by other clothes manufacturers. Instead of showing pretty models displaying clothes and creating an aspiration among consumers to become one of them which probably most can not in real life it appeals to the sensibilities of consumers. It makes consumers feel a sense of contentment and happiness that they are among the privileged ones or they are better than the people shown in their ads.

When they are portraying issues that need to be addressed by society such as accepting and helping AIDS victims, accepting diversity and shunning racism, depicting the carnage of war so that people realize the misery that war brings they are creating a kind of goodwill. People who support their point of view would unite with them by buying their products. This way they

would be making a statement in society as people know what the brand stands for and what it advocates.

This is a major factor why consumers buy the brand and it isn't surprising that its sales increased at the time these advertisements were published. However, the company through these ads was not trying to promote sales instead it was trying to promote the philosophy that the company had. It wanted consumers to become aware of that philosophy and join their efforts in educating the masses about social concerns. (Docshare, 2009) Their ads about natural calamities victims, terrorism and capital punishment caused a lot of controversies with certain groups of people. So much so that some of its banners had to be removed as they were found to be distasteful by the people of that area.

This is where Benetton got into a bit of trouble as retailers got a bit hostile towards Benetton's advertising campaigns. Some even discontinued their contract with the company in protest. (Sullivan, 2003) This could be a reason for the drop in sales in the United States. People opposed to its different point of view as they thought that Benetton was leveraging social concerns in order to make profit. They were accused of taking advantage of people's conscience and making money in return.

However, these campaigns also opened international boundaries for the company and it successfully expanded in other countries. The company's focus on supporting and promoting diversity did well for the company. It actually united people when advertisements were showing people of different races and cultures together wearing clothes from the same

company. In this era of globalization people are more willing to accept to live and work with people from different backgrounds? This is one projection that has done well for the company as nowadays discrimination is frowned upon. The name of the company itself ' United colors of Benetton' is a complete projection of the company's philosophy.

Push Strategy

Coca-cola is the market leader in the cola industry. It is present all over the world with millions of loyal customers. Its big size however, does not ensure that it will remain the number one cola company forever. In order to maintain and grow its share in the market it needs to have a dynamic marketing strategy in place. Along with its pull promotional strategy which is mainly done through advertising, it also employs the push strategy in a very effective manner. This is because the cola market is an extremely competitive market as it has to face tough competition from another giant that is Pepsi.

So when it comes to buying cola drinks consumers do not really differentiate much between the brands that they are consuming unless they are hardcore loyalists. Coca-cola can easily be substituted by Pepsi. For instance, if coca-cola is not available at the store the consumer would not mind much and buy Pepsi instead and vice versa. Therefore it is extremely important that retailers have a sufficient amount of stock of coca-cola in their stores and for this they have to persuade retailers by means of trade sales promotion and personal selling. Both of these techniques are being employed by the coca-cola company in order to make its presence felt everywhere in the market.

They are pushing their product through the retailers which will in turn affect the buying behavior of consumers. Increased visibility of the product as compared to its competitor will lead to greater sales.

As part of its promotional strategy coca cola gives out free stuff to retailers and distributors and it includes trade schemes that seem very enticing as well as free bottles. (Pathak, 2010)

In countries such as India they also provide the store owner with a refrigerator which would exclusively store their product. They also help small shop owners set up their shops if they agree to store a certain amount of their product every month.

They also provide special discounts to retailers and provide them products at whole sale rates if they stock their product on special shelves that have increased visibility and tend to attract customer attention. (Jackson, 2009)

The advantage of placing the product on these shelves is that customer would be drawn to the product as compared to competitors which would not be clearly visible in the store. Also it would induce impulse buying as customers would be tempted to buy it if strategically located at such a position in the store.

In the UK in order to promote coke consumption among youngsters who usually go out clubbing they form alliances with whiskey brands. They influence barmen who seem to influence the people that visit the club to promote drinks which include coke such as Coke-whiskey. (Neuez, 2003) Not only are they trying novel ways to target consumers, they are also trying to establish a loyal customer base.

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Another effort that Coca-cola makes in order to be 'The soft drink' that consumers have, it has contracts with famous fast food chains present world wide. These fast food chains include Burger King and McDonald. This allows the brand to be present and accessible to the customer without any competition present. This is great way to increase top of the mind recall and generate sales as well. Coca- cola has always believed in a dynamic marketing strategy and uses both the pull and push promotion methods in a very effective manner. (Bianca-Sonera, 2009)

This may be one of the reasons that it is one of the biggest brands and the most well known brand around the world. Not only do they engage customers they also engage the retailers and distributors by giving them incentives to store and market their product for them.

Conclusion

Both the push and pull promotional techniques work well provided that they are applied to the right product in the manner that would help leverage the brand. In the case of Benetton, although the advertisements were considered rather crude and insensitive by some groups of people but by others they were regarded as works of art and they relayed a social message. That helped Benetton differentiate itself from the clutter and gave it an identity that others could never imitate. Although Oliviero Toscani could have adopted a more selective approach, showing ads only where they would be appreciated but then his whole concept of making people think and contemplate about social issues would have gone to waste.

Coca-cola's push strategy has been used since the brand started off and it has worked well for the company over the years. The only reason that they have continued with this strategy is that it gives them good returns. The only difference nowadays is that it is using novel ways to promote its products to retailers who in turn sell it to customers. Personal selling and sales promotion were an integral part of its marketing campaign which are among the few push promotional strategies being used today. With both these strategies the ultimate aim is to influence and make an impact on the mind of the consumer so that they come back for repeat purchase.